

STRENGTHS AND LIMITATIONS TO COMMON FINANCIAL PRODUCTS

	CASH	SAVINGS/ CHECKING	CDs	BONDS / BOND FUNDS ¹	PRECIOUS METALS like GOLD, SILVER	TERM	FIXED ANNUITIES	PREFERRED STOCK
Predictable Financial Results	✓	✓	✓	✓		✓	✓	
No Capital Loss / Safe Harbor	✓	✓	✓ ²	✓ ²			✓	
Guaranteed Cash Accumulation	✓	✓	✓ ²	✓ ²			✓	
Competitive Rate of Return		✓*	✓	✓	✓		✓	✓
Flexible Contribution Limit	✓	✓	✓	✓	✓		✓	✓
Liquidity, Use and Control	✓	✓	✓		✓			✓
Guaranteed Loan Option								
No Government Involvement	✓	✓	✓	✓	✓	✓		✓
Tax-Deferred Growth							✓	
Tax-Free Death Benefit						✓		
Tax-Deductible Contributions								

* Questionable definition of the word competitive, since most Savings accounts only accrue pennies in interest.

1. The interest on municipal bonds is tax-free. 2. Applicable if held to maturity.

STRENGTHS AND LIMITATIONS TO COMMON FINANCIAL PRODUCTS

	COMMON STOCK	EQUITY MUTUAL FUNDS	VARIABLE ANNUITIES	IUL / VUL UNIVERSAL LIFE	EXCHANGE TRADED FUNDS	401K, 403B, IRA, etc. QUALIFIED PLANS	REAL ESTATE	PARTICIPATING WHOLE LIFE
Predictable Financial Results								✓
No Capital Loss / Safe Harbor								✓
Guaranteed Cash Accumulation								✓
Competitive Rate of Return	✓	✓	✓	✓	✓	✓	✓	✓
Flexible Contribution Limit	✓	✓	✓	✓	✓		✓	✓
Liquidity, Use and Control	✓	✓		✓	✓			✓
Guaranteed Loan Option								✓
No Government Involvement	✓	✓		✓	✓		✓	✓
Tax-Deferred Growth			✓	✓		✓	✓	✓
Tax-Free Death Benefit				✓				✓
Tax-Deductible Contributions						✓		✓

Source: Financial Independence in the 21st Century by Dwayne Burnell and Suzanne Burnell.